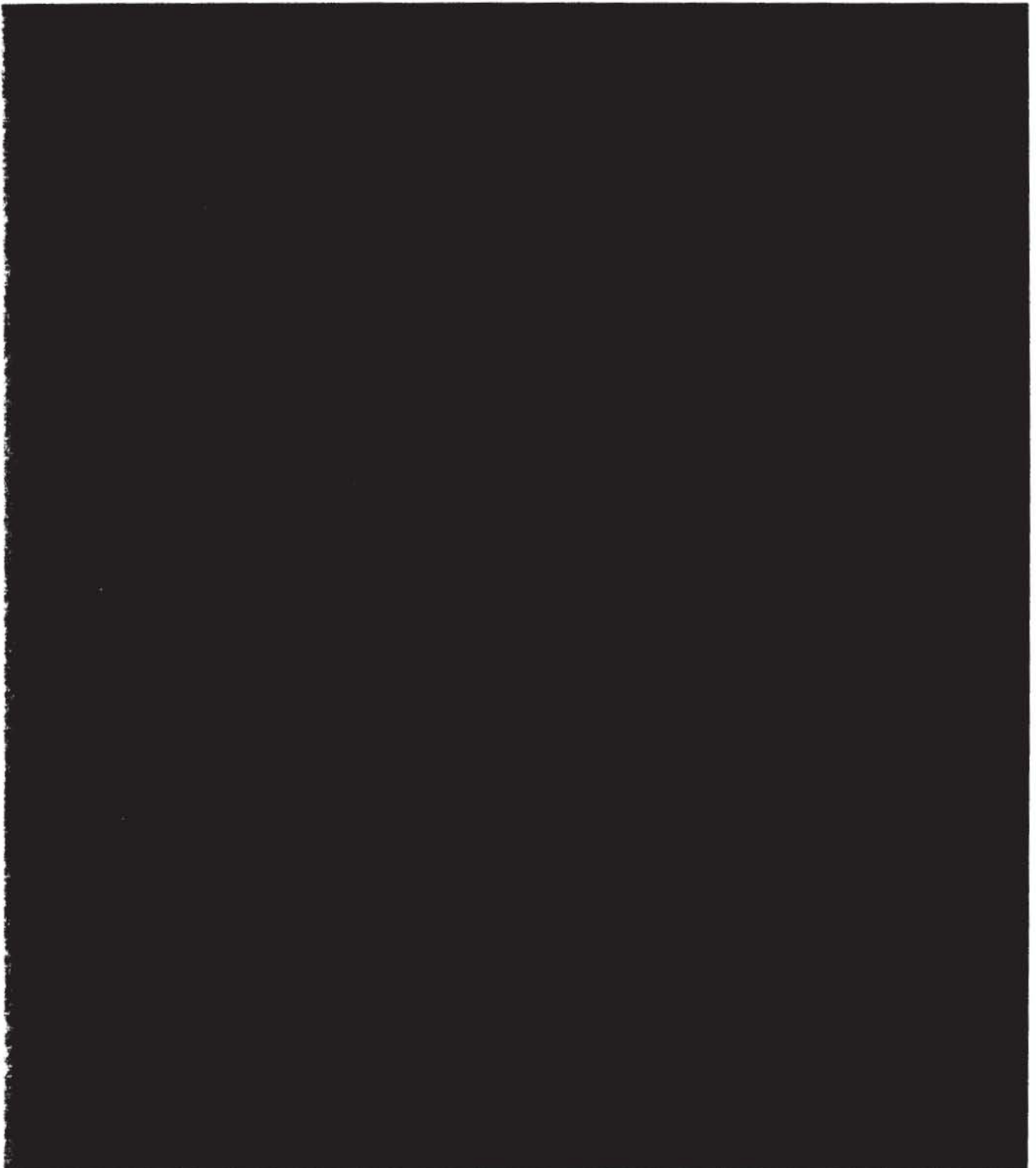


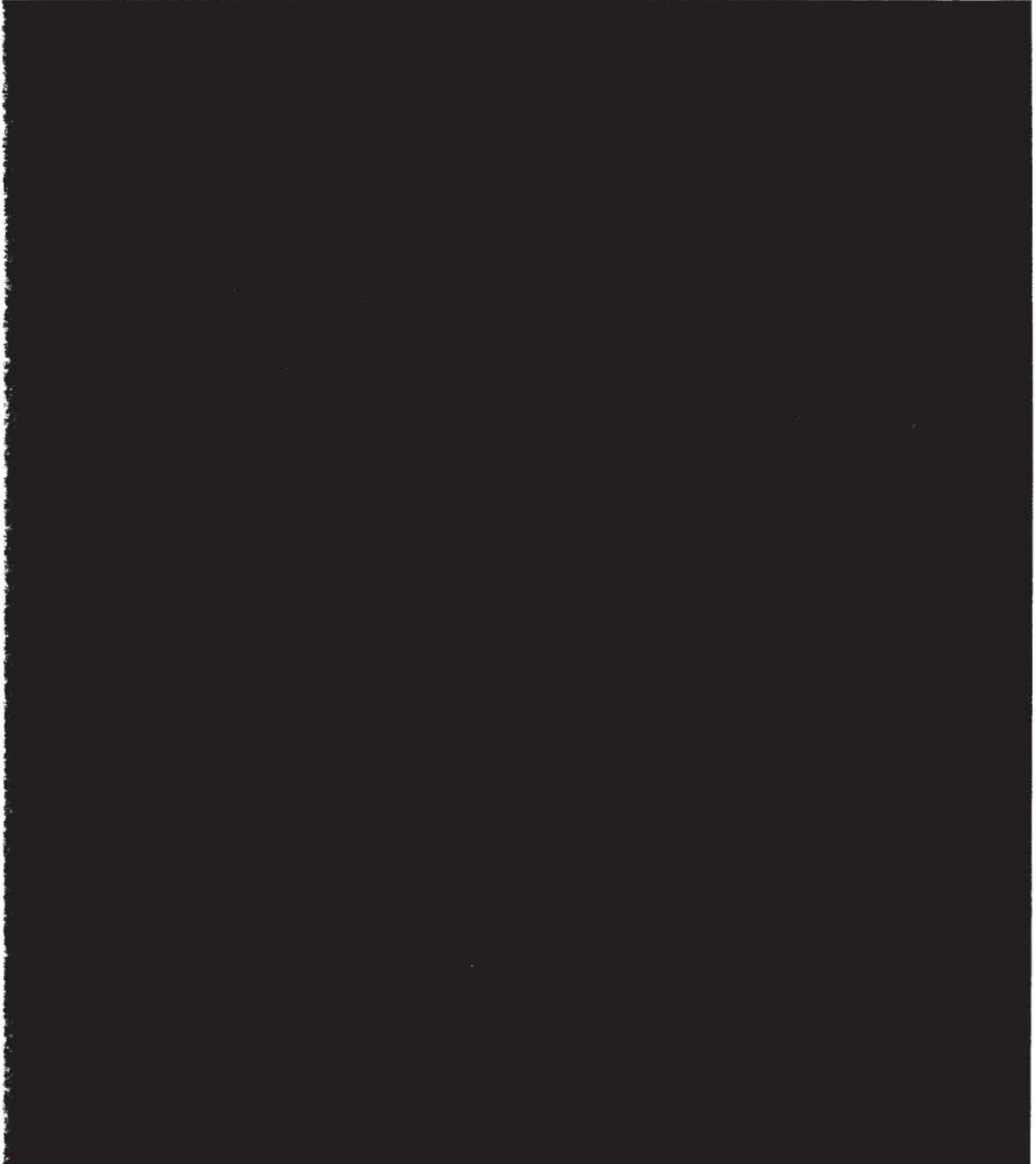
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 1 – Description of Operations and Summary of Significant Accounting Policies:



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)



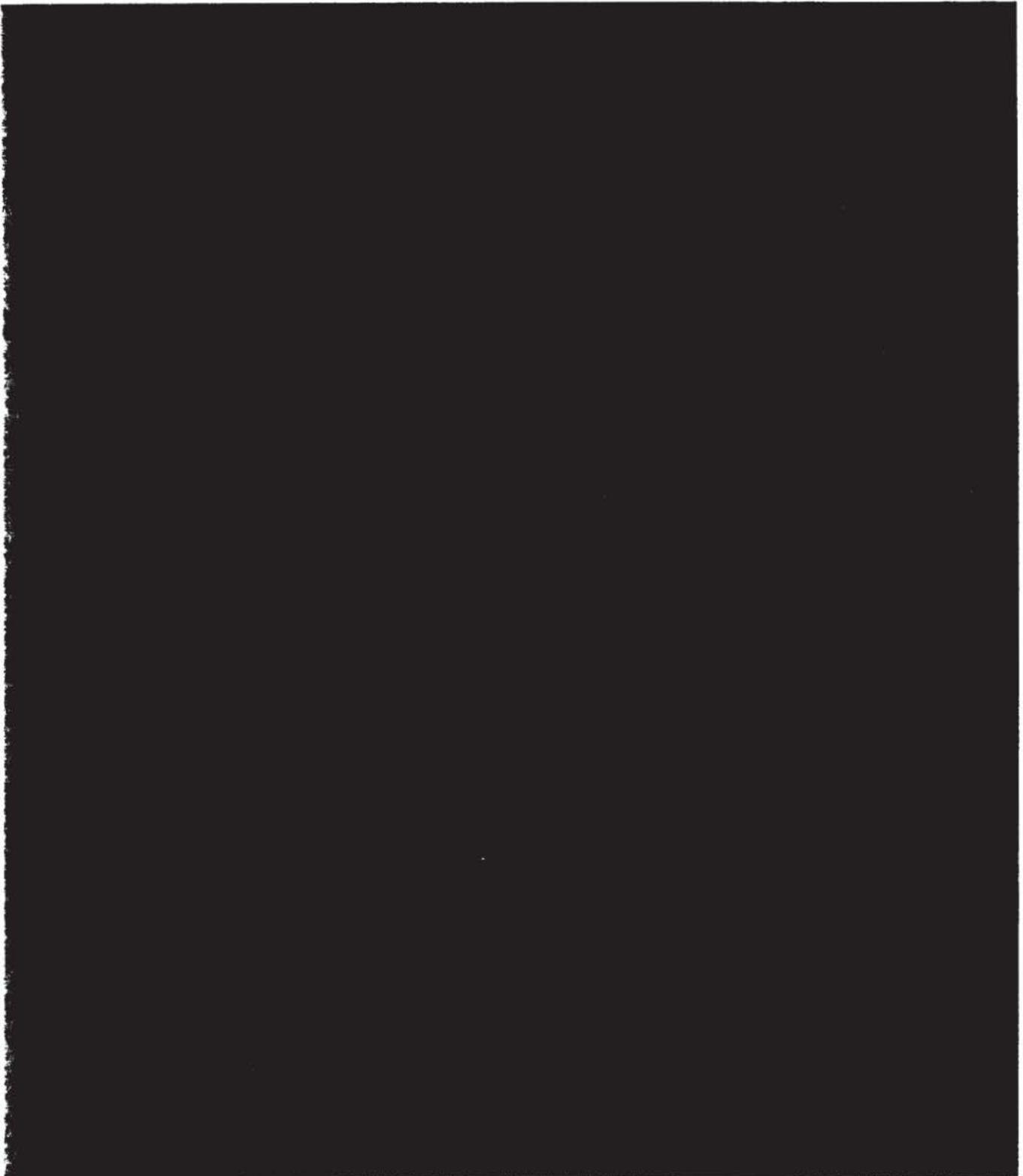
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)



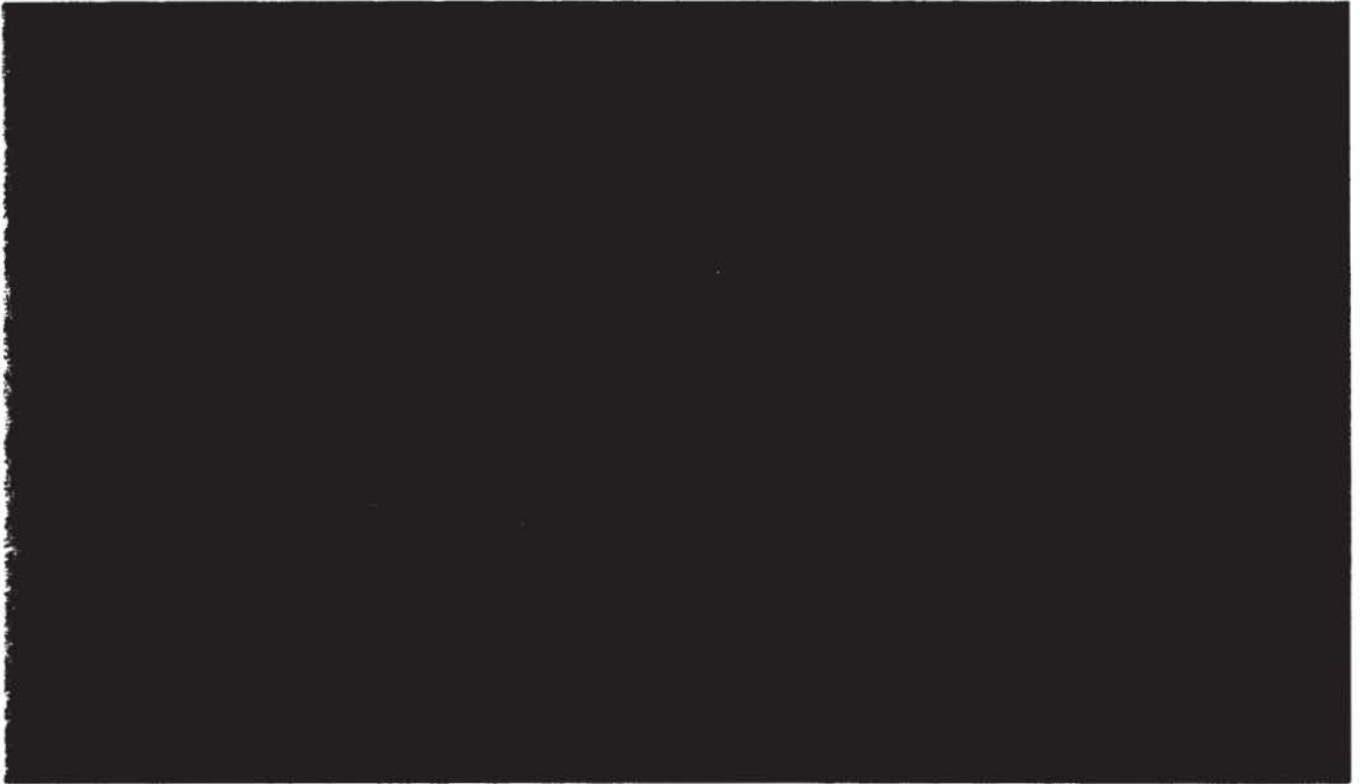
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 December 31, 2013

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)



Note 2 – Marketable Securities and Other Cost Method Investments:



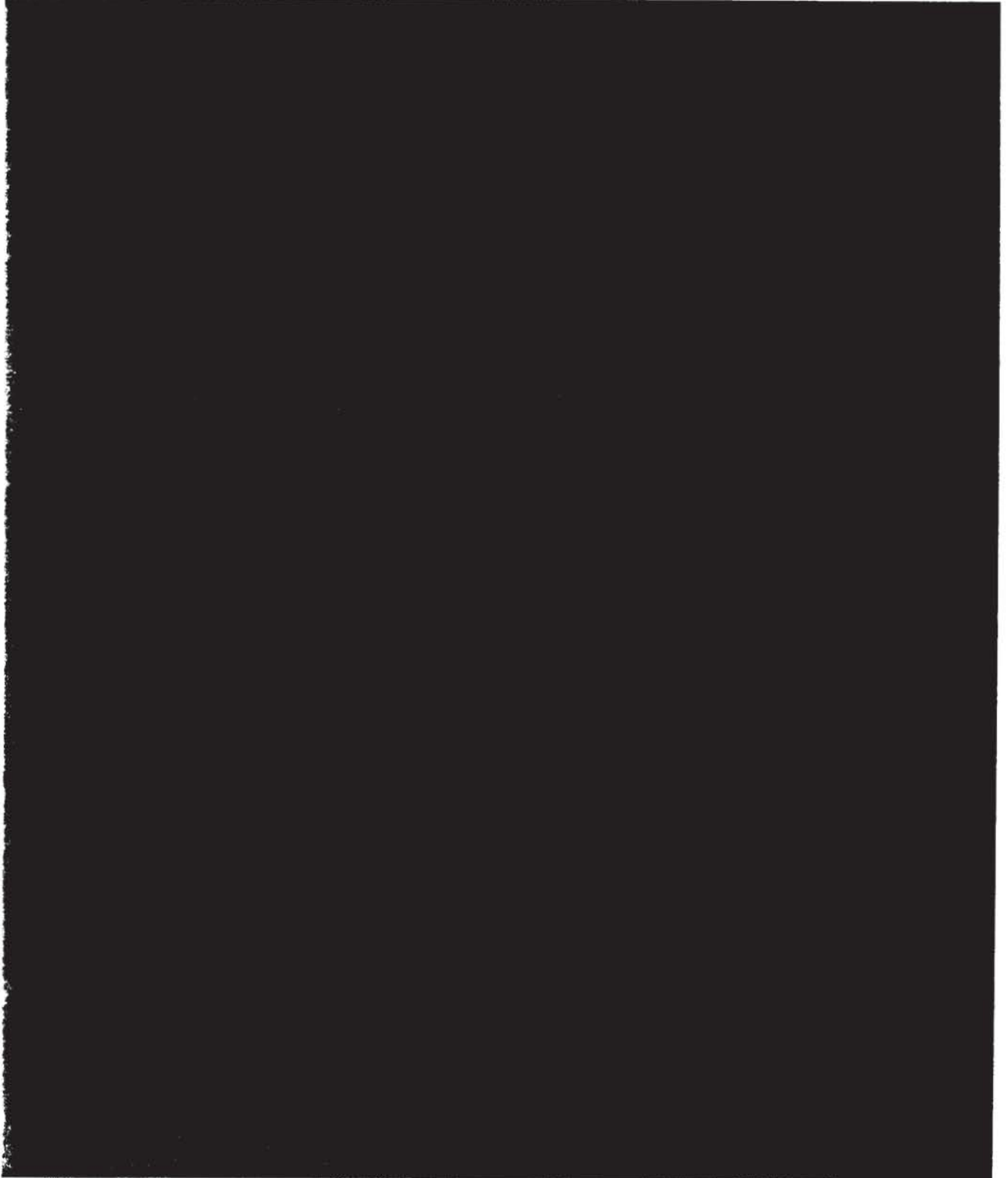
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 2 – Marketable Securities and Other Cost Method Investments: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 3 – Property, Plant, and Equipment:



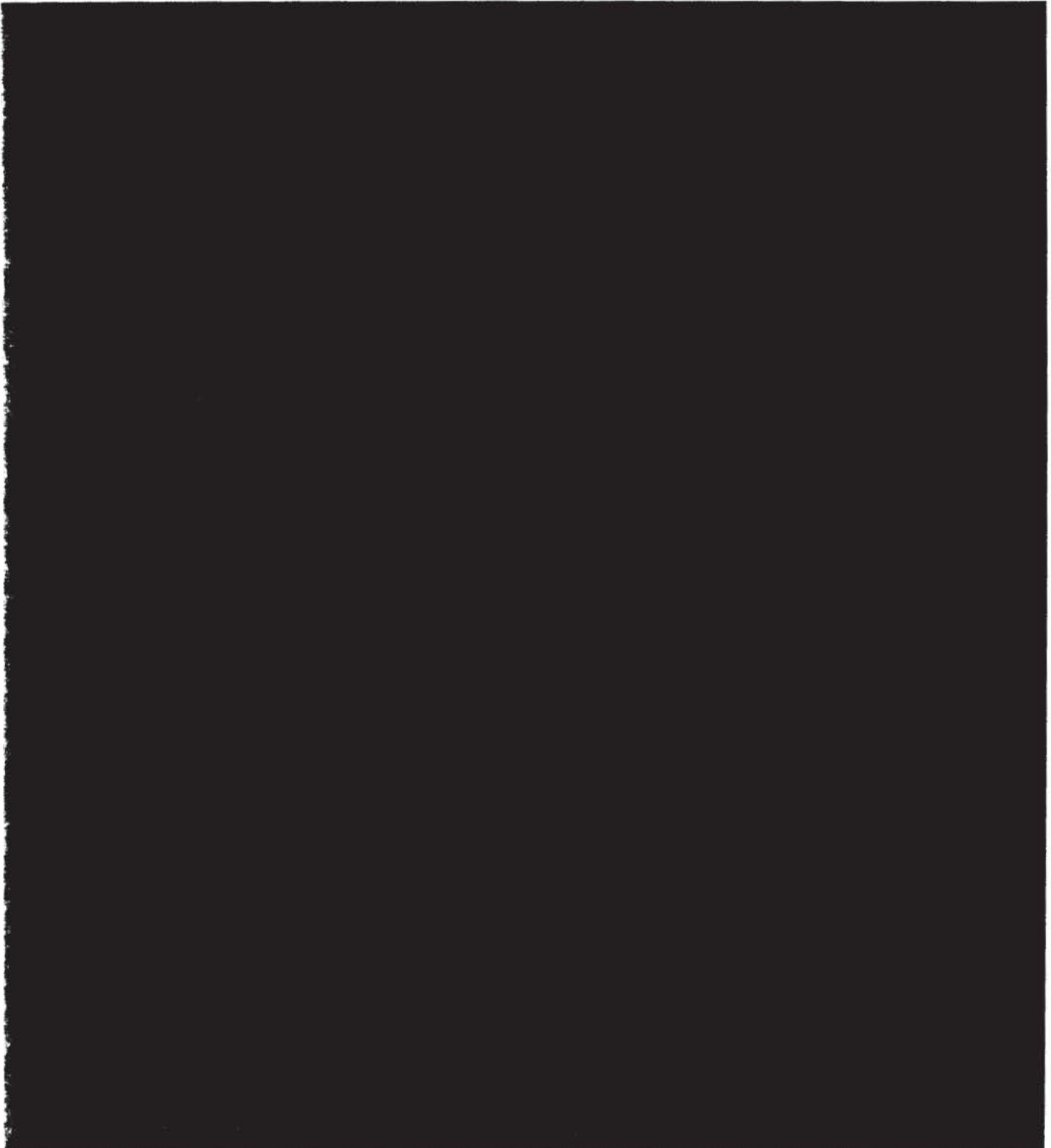
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 5 – Accumulated Other Comprehensive Income: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 5 – Accumulated Other Comprehensive Income: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 6 – Income Taxes:



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013

Note 9 – Concentrations: (continued)

[REDACTED]

Note 10 – Fair Value Measurements:

[REDACTED]

Note 11 – Subsequent Events:

[REDACTED]

Note 12 – Change in Accounting Principle:

[REDACTED]

SUPPLEMENTARY INFORMATION

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE BALANCE SHEETS
 December 31

Assets				
	Cumby		PTC	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current Assets:				
Cash and cash equivalents	\$			
Certificates of deposit				
Marketable securities				
Telecommunications accounts receivable				
Other receivables				
Materials and supplies				
Prepayments				
Accounts receivable - affiliates				
Total Current Assets				
Property, Plant, and Equipment:				
Plant in service				
Plant under construction				
Total Property, Plant, and Equipment				
Less: Accumulated depreciation				
Net Property, Plant, and Equipment				
Investments and Other Assets:				
Cellular investments				
Intangibles				
Investment in subsidiary				
Other assets				
Total Investments and Other Assets				
Total Assets	\$			

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE BALANCE SHEETS
 December 31

Liabilities and Equity				
	Cumby		PTC	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current Liabilities:				
Accounts payable	\$			
Accounts payable - affiliates				
Accrued income tax				
Other accrued liabilities				
Unearned revenue				
Total Current Liabilities				
Other Liabilities:				
Deferred income tax				
Accrued postretirement benefits				
Total Other Liabilities				
Equity:				
Memberships				
Retained margin				
Patronage capital assignable				
Accumulated other comprehensive income:				
Unrealized gain on marketable securities				
Unrecognized postretirement benefit costs				
Partners' Capital				
Total Equity				
Total Liabilities and Equity	\$			

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE STATEMENTS OF OPERATIONS
For the Years Ended December 31

	<u>Cumby ILEC</u>		<u>Cumby CLEC</u>		<u>Cumby Total</u>		<u>PTC</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Operating Revenues:								
Local network services	\$							
Network access services								
Long distance network services								
Internet services								
Miscellaneous								
Uncollectible expense								
Total Operating Revenues								
Operating Expenses:								
Plant specific operations								
Plant nonspecific operations								
Depreciation								
Customer operations								
Corporate operations								
Total Operating Expenses								
Operating Taxes:								
Income tax (benefit) expense								
Operating taxes								
Total Operating Taxes								
Operating (Loss) Margin								
Nonoperating Margin:								
Interest and dividend income								
Equity in net income of subsidiary								
Distributions from partnerships								
Other nonoperating expense								
Income tax expense								
Total Nonoperating Margin								
Net Margin	\$							

SUPPLEMENTARY INFORMATION - See Independent Auditor's Report.

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended December 31

	Cumby		PTC
	<u>2013</u>	<u>2012</u>	<u>2013</u>
			<u>2012</u>
Cash Flows from Operating Activities:			
Net margin	\$		
Adjustments to reconcile net margin to net cash provided by operating activities:			
Depreciation and amortization			
Equity in net income of subsidiaries			
Distributions from subsidiaries			
Gain on sale of securities			
Amortization of premium			
Change in assets and liabilities:			
Accounts receivable			
Prepays			
Accounts payable and accruals			
Deferred income tax			
Total Adjustments			
Net Cash Provided by Operating Activities			
Cash Flows from Investing Activities:			
Proceeds from sales of plant			
Capital expenditures			
Investment in marketable securities			
Proceeds from marketable securities			
Proceeds from (investments in) certificates of deposit			
Net Cash Used in Investing Activities			
Cash Flows from Financing Activities:			
Advances from (to) affiliate			
Receipt of memberships			
Payment of capital credits			
Excise tax refund received			
Dividends paid			
Net Cash (Used in) Provided by Financing Activities			
Net Increase (Decrease) in Cash and Cash Equivalents			
Cash and Cash Equivalents at Beginning of Year			
Cash and Cash Equivalents at End of Year	\$		

SUPPLEMENTARY INFORMATION - See Independent Auditor's Report.